

Elements for the Outcome Document of the 2022 ECOSOC Forum on Financing for Development

1. We, Heads of State and Government, Ministers and high-level representatives, have met from 25 to 28 April 2022 at the Seventh Economic and Social Council Forum on Financing for Development follow-up.
2. We express our resolve to continue to scale up our efforts towards the full and timely implementation of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. We reaffirm the paramount importance of the Charter of the United Nations in the promotion of the rule of law among nations.
3. We are meeting against the backdrop of a highly fragile global economic outlook amid the ongoing COVID-19 pandemic and rising geopolitical tensions. We acknowledge that inflation, slowing growth, and ongoing supply chain disruptions further endanger development prospects and contribute to a further divergence in recovery.
4. We commit to undertake further actions to end poverty and hunger and enhance developing countries' access to financing for crisis response and for investments in a sustainable recovery.

Cross-cutting issues

5. We note with concern that the world is not on track to achieve the target to vaccinate 70 percent of the population of every country by mid-2022 in line with the WHO Global COVID-19 Vaccination Strategy. We will take steps to significantly boost the supply of vaccines and essential medical products and inputs in developing countries and remove relevant supply and financing constraints. We will support increasing vaccine distribution, administration and local manufacturing capacity in low and middle-income countries. We reiterate our support for ACT-A and we further commit to help developing countries meet national immunization requirements, improve national health systems, preparedness and health infrastructure, and progress towards universal health coverage.
6. We reaffirm our commitment to increase quality, sustainable investments in essential public services for all, including health, education, energy and water and sanitation. We will strengthen our social protection systems to reduce inequalities, eradicate poverty, support a just transition and reintegration in labour markets, and promote inclusive and sustainable growth. We will expand investment in social protection floors as a percentage of gross domestic product in national budgets and extend child-sensitive social protection for all, including workers in the informal economy. We commit to improved and gender-disaggregated monitoring of social protection coverage.
7. We commit to massively scale up our efforts to achieve gender equality, including through gender-responsive health, social and economic recovery programmes, especially with respect to COVID-19, and greater investment in the care economy.
8. We reaffirm our joint commitment to transition towards low-emission energy systems, including through the phase-out of inefficient fossil fuel subsidies. To reach the goals of the Paris Agreement, our policy mix toward carbon neutrality and net zero should include a full range of fiscal, market and regulatory mechanisms including, if appropriate, the use of carbon pricing mechanisms and incentives.
9. We emphasize the need to mobilize climate finance from all sources to reach the level needed to achieve the goals of the Paris Agreement, including significantly increasing support for developing countries, beyond \$100 billion per year. We urge developed countries to fully deliver on the goal to mobilize jointly \$100 billion per year urgently and through 2025, and we encourage further efforts to enhance access to finance. We further urge developed countries to at

- least double their collective provision of climate finance for adaptation to developing countries from 2019 levels by 2025, in the context of achieving a balance between mitigation and adaptation, and we will strengthen our efforts to prioritize grant finance for developing countries.
10. We will explore innovative platform approaches to coordinate, scale up, and channel public and private finance and technical assistance for sustainable, quality and resilient infrastructure development. We resolve to address investment barriers to developing bankable project pipelines and will take steps to deploy blended finance at scale, as appropriate, to leverage all infrastructure financing sources.
 11. We commit to support the implementation of integrated national financing frameworks to align financing policies and strategies with national investment priorities and sustainable development strategies.
 12. We recognize the importance of addressing the diverse needs and challenges faced by countries in special situations, in particular African countries, the least developed countries, landlocked developing countries and small island developing states, as well as the specific challenges faced by middle-income countries.

Domestic Public Resources

13. We recognize that domestic resources are first and foremost generated by economic growth, supported by an enabling environment at all levels. Sound social, environmental and economic policies, including countercyclical fiscal policies, adequate fiscal space, good governance at all levels, and democratic and transparent institutions responsive to the needs of the people are necessary to achieve our goals.
14. We recommit to strengthening the capacities of revenue administration through modernized, transparent, and progressive tax systems, and more effective tax collection. We call upon the international community to scale up support for related capacity building to countries, particularly developing countries, especially in building tax policy and administration capacity. We recognize that strengthening public financial management and budget execution can help maximize the effectiveness of government expenditure.
15. We stress that international tax cooperation must be strengthened to ensure no countries are left behind. We commit to improve international sharing of tax information, especially for least developed countries, and to scale up assistance for improving systems and related capacity building.
16. We acknowledge that any consideration of tax measures in response to the digital economy should include a careful analysis of the implications for developing countries with a special focus on their unique needs and capacities. We note the diverse proposals in this area, including the work of the UN Tax Committee on a model tax treaty provision on taxation of automated digital services.
17. We recommit to preventing and combating illicit financial flows and strengthening international cooperation and good practices on assets return and recovery. We reaffirm our commitment to strive to eliminate safe havens that create incentives for the transfer abroad of stolen assets and illicit financial flows. We will implement our obligations to prevent and combat corruption and money laundering enshrined in existing international architecture, particularly those prescribed in the UN Convention against Corruption and UN Convention against Transnational Organized Crime.
18. We recognize that the digitalization of money brings both new risks of tax avoidance, tax evasion and illicit financial flows as well as new enforcement possibilities. We will enhance

global coordination and alignment of regulatory, supervisory and oversight frameworks for digital assets to avoid revenue leakages and strengthen domestic resource mobilization.

Domestic and international private business and finance

19. We will take concrete steps to incentivize and scale-up long-term affordable private finance for investments that contribute to the Sustainable Development Goals. We note that sustainable investment flows reached record levels in 2021, with the global outstanding amount of sustainability-labeled bonds now over \$2.5 trillion. We recognize the constraints faced by developing countries in accessing investment products with sustainability features. We call on donors to strengthen capacity building support for countries, particularly developing countries, to integrate sustainable investment approaches in capital market development plans through regional and global approaches to avoid market fragmentation.
20. We call on regulators to adopt globally consistent corporate sustainability reporting standards for both privately-owned and listed companies to allow policymakers, consumers and investors to integrate sustainability issues into their decisions. We note the International Sustainability Standards Board (ISSB) launched during COP26 and call for complementary policies to enhance the alignment of corporate reporting with the Sustainable Development Goals.
21. We stress the need for greater transparency, comparability, and reliability of data and methodologies to measure the impact of sustainable investment products. We call upon institutional investors to disclose the environmental and social footprint of and the physical risks within and created by their portfolios.
22. We are concerned that remittance costs remain far above the Sustainable Development Goal target of 3 per cent or lower. We further express our concern at the continued decline in correspondent banking relationships, due to de-risking trends, and its adverse consequences on low-value remittance flows. We will work on innovative ways to improve the access to, usage and quality of financial services to lower the cost of remittances, including through digital channels.

International Development Cooperation

23. We express concern that although official development assistance (ODA) reached its highest level in 2020 during the unprecedented crisis, the rise could be temporary. We call upon development partners to scale up and meet their ODA commitments with new and additional resources, including the commitment by many developed countries to achieve the target of 0.7 per cent of gross national income (GNI) and 0.15 to 0.20 per cent of ODA/GNI to the least developed countries. We emphasize that grant finance rather than loans should be prioritized for vulnerable countries, such as least developed countries and small island developing States.
24. We will improve the effectiveness of development cooperation and commit to support developing countries in strengthening their capacities at the national and local levels to manage and reduce risks.
25. We welcome the appointment by the President of the General Assembly of the High-Level Panel of experts to finalize a multidimensional vulnerability index by the end of 2022. We call upon the international community to use multidimensional vulnerability as criteria to access concessional finance.
26. We welcome the adoption by the UN Statistical Commission of the proposed new indicator 17.3.1 under SDG target 17.3 “Mobilize additional financial resources for developing countries from multiple sources”. We will continue to hold open, inclusive and transparent discussions on

the modernization of ODA measurement and on the proposed measure of “total official support for sustainable development” and we affirm that any such measure will not dilute commitments already made.

27. We note the growing scale and scope of South-South Cooperation and its significant contributions to short-term pandemic response and long-term recovery. We welcome the development of an initial conceptual framework for South-South cooperation, which marks a breakthrough in its measurement and encourage further work in this regard.
28. We call upon development partners to provide multilateral development banks with additional capital funding and support the reform of capital adequacy requirements and balance sheet optimization approaches to increase lending capacity.
29. We will increase the scale and effectiveness of blended finance by focusing on need and the potential for development impact, including for least developed countries.

International trade as an engine for development

30. We reaffirm the important role of open, fair, equitable, sustainable, nondiscriminatory and inclusive rules-based multilateral trade system in restoring growth, job creation and industrial productivity and promoting sustainable development.
31. We are concerned by the ongoing disruption in trade logistics that continues to hamper global value chains and the high cost of international supply chains. We will enhance the sustainability and resilience of supply chains that foster the sustainable integration of developing countries and promote inclusive economic growth, including through increased participation of micro-, small- and medium-sized enterprises in international trade and investment.
32. We are concerned about the widening trade finance gap between developed and developing countries and call for international cooperation to address trade finance access barriers including in bank regulations, anti-money laundering regulations and data collection.
33. We welcome progress on the ratification and implementation of the World Trade Organization (WTO) Trade Facilitation Agreement and will take steps to enhance the movement of goods, including medicines and foodstuffs and reduce trade costs.
34. We reaffirm the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) as amended, and also reaffirm the 2001 World Trade Organization Doha Declaration on the TRIPS Agreement and Public Health, which recognizes that intellectual property rights should be interpreted and implemented in a manner supportive of the right of States to protect public health and, in particular, to promote access to medicines for all, and notes the need for appropriate incentives in the development of new health products.
35. We recognize that trade and investment policy actions are intricately connected to climate action. We acknowledge that reducing emissions worldwide would require a speedier transition to more efficient production and transport processes. We call upon the international community to continue supporting developing countries’ capacity building in reducing carbon contents of their exports.

Debt and Debt Sustainability

36. We are concerned that surging global public debt is compounding debt vulnerabilities that predated the pandemic. We note with concern that about 60 percent of least developed countries and other low-income countries are now assessed to be at high risk of or already in debt distress,

while around a quarter of middle-income countries remain at high risk. We are further concerned that interest costs are rising in the poorest countries and remain elevated in small island developing States, as they grapple with higher interest rates, slower recoveries, and persistent revenue shortfalls.

37. We welcome the multilateral response to the pandemic, including the progress achieved by the Debt Service Suspension Initiative (DSSI) and the Common Framework for Debt Treatments beyond the DSSI (Common Framework).
38. We stress the importance of stepping up efforts to improve and implement the Common Framework in a timely, orderly and coordinated manner. We call on the G20 and Paris Club creditors to task the IMF to develop options for implementing comparability of treatment of private and other official bilateral creditors, expanding access to additional heavily indebted vulnerable countries, providing debt standstills throughout negotiations, and facilitating rapid recovery of capital market access following restructuring. We further call for enhancements to give more certainty to debtor countries and facilitate the IMF's and multilateral development banks' quick provision of financial support.
39. We express concern that as monetary conditions tighten, more countries may be in need of debt resolution to safeguard critical expenditure and preserve prospects to invest in a sustainable recovery. We will work towards a more comprehensive solution to sovereign debt resolution challenges, guided by the shared principles for debt resolution in the Addis Ababa Action Agenda.
40. We recognize that high vulnerabilities, as reflected in a multidimensional vulnerability index, could contribute to the calibration of debt relief needed to restore sustainability in the context of debt restructuring.
41. We acknowledge that debt transparency enables more effective debt management by debtors and better risk management by creditors, which are important tenets of responsible borrowing and lending principles. We call upon the international community to further (a) coordinate data collection processes; (b) provide support to strengthen debt management capacity, and (c) enhance debt transparency through actions by both creditors and debtors.
42. We call upon the international community to strengthen inclusive dialogues and mechanisms on sovereign debt to advance the discussion on debt transparency and responsible lending and borrowing and the rules of engagement, including with the private sector.

Addressing systemic issues

43. We call upon Member States with strong external positions to implement, in a timely manner, the voluntary channeling of special drawing rights to countries in need, including through the International Monetary Fund's Poverty Reduction and Growth Trust. We look forward to the operationalization of the International Monetary Fund's Resilience and Sustainability Trust as a new mechanism to voluntarily channel special drawing rights to finance sustainable development to low income and vulnerable middle-income countries. We will continue to explore options to voluntarily channel special drawing rights through multilateral development banks and other prescribed holders.
44. We express concern that developing countries may be most affected by unintended consequences of digital assets, including effects of central bank digital currencies on capital flow volatility, currency substitution, and monetary policy space. We will enhance international cooperation and coordination to develop appropriate designs for central bank digital currencies and regulatory frameworks for digital assets that address spillover risks to the global financial system.

Science, technology, innovation and capacity building

45. We are concerned that the digitalization of the economy and the progress in science, technology and innovation to support a sustainable energy transition may create new risks and worsen inequalities if not carefully managed. We will redouble our efforts to ensure universal and affordable Internet access, digital skills training, and targeted policies for specific groups, including women and girls and youth, to close digital divides within and between countries.
46. We invite regulators and supervisors to build on financial technology to support financial inclusion while addressing growing risks, including from cyber incidents and digital fraud, by strengthening consumer protection and holding financial service providers accountable for safeguarding data.

Data, monitoring and follow-up

47. We commit to enhancing transparency and building a more complete information ecosystem to strengthen the ability of countries to manage risks and use resources well and in line with the Sustainable Development Goals.
48. We acknowledge the important role of credit ratings in the capital market ecosystem and their impact on the volume, cost, and stability of access to market financing. We call upon credit rating agencies to clearly distinguish the discretionary components of sovereign ratings and to consider long-term sovereign ratings to complement existing assessments.
49. We recognize that the pandemic and climate crises have revived discussions on measures of sustainable development beyond gross domestic product. We note the upcoming update of the 2008 System of National Accounts and the ongoing work on the System of Environmental Economic Accounts (SEEA) through the United Nations Statistical Commission.
50. The United Nations, its Economic and Social Council, and the forum on financing for development follow-up, in coordination with all relevant actors, have critical roles to play in harnessing and shaping international consensus to work towards a more sustainable, inclusive and resilient global economy.
51. We decide that the 8th ECOSOC Forum on Financing for Development follow-up will convene from xx to xx April 2023 and will include the special high-level meeting with the Bretton Woods institutions, the World Trade Organization and the UNCTAD.
52. We considered the need to hold a follow-up conference in a rapidly evolving global environment and decide to hold the Conference in 2024.